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NYISO Consumer Interest Liaison Weekly Summary

March 14 – March 18, 2016

Notices:

- *In the course of preparing the **Behind the Meter: Net Generation tariff filing**, some non-substantive edits were made to the text of the tariff language approved by the Management Committee in December, 2015. The minor corrections were circulated for review and were approved by the MC, BIC, and OC Chairs. A link to the document is posted below. [Updated BTM:NG Tariff Language](#)*
- *The NYISO is pleased to announce that our Training Team will be offering the, in-class, **DSS Intermediate Workshop in May** where attendees will develop an understanding of the functionality of the DSS environment; specifically, the granularity of the data available resulting in the ability to reconcile invoice settlements. To register for the course, complete the registration process [here](#) by May 9, 2016*
- *The March 22 ESPWG Meeting has been changed to a joint ESPWG-TPAS-IPTF meeting.*

Meeting Summaries:

Tuesday, March 15, 2016

Installed Capacity Working Group

Consolidated Edison DCR Annual Update Proposal

Chris Hargett of Consolidated Edison (Con Edison) presented a proposal to impose a limit on the amount that the ICAP Demand Curve reference point price values could change from year-to-year as a result of the annual update process being proposed by the NYISO. The NYISO, following the recommendation of Analysis Group, has proposed changing the ICAP Demand Curve reset (DCR) process from a three-year cycle to a four-year cycle including annual updates.



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The proposed annual updates would capture changes in three factors underlying the values of the ICAP Demand Curves:

- Net Energy and Ancillary Service revenues (EAS)
- Gross CONE (Cost of New Entry)
- Winter/Summer ratio

The NYISO proposal would encompass updating the three factors on an annual basis and revising the ICAP Demand Curve reference point prices to reflect the updated values. An annual update to reference point prices has not previously been a part of the reset process and, therefore, stakeholders suggested that it introduces a level of uncertainty to the process.

Con Edison introduced a proposal at the March 10, 2016 ICAPWG meeting to address this uncertainty and provided further details regarding its proposal for stakeholder discussion at this meeting. The proposal would impose a limit on the amount by which the reference point prices calculated pursuant to the proposed annual updates could change from year-to-year, referred to as a “collar.” Con Edison’s initially suggested collar would permit an increase or decrease of up to 10% in the reference point prices for each ICAP Demand Curve. Examples were provided to clarify the proposal.

Con Edison raised the issue of providing a sunset date for the collar procedure for stakeholder discussion. Some stakeholders opined that a sunset date linked to the current DCR cycle would provide an evaluation period to observe the effectiveness of the collar prior to the next DCR process. The values and symmetry of the collar were also debated, with a stakeholder suggesting a higher level of increase and lower level of decrease (+12%/-8%) should be established to accommodate expected changes in cost resulting from inflation. The collar proposal is expected to be presented for stakeholder approval in the form of a stakeholder proposed amendment to the motion voted on at the March 17, 2016 BIC meeting related to the proposed DCR process changes. To see the Con Edison presentation, please go to:

http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_icapwg/meeting_materials/2016-03-15/NYISO_ICAP_DCRReset_Annual_Updates%20March%202016.pdf

Thursday, March 17, 2016

Operating Committee

Motion #1:

The Operating Committee (OC) hereby approves the meeting minutes from the February 12, 2016 meeting.

The motion passed unanimously by show of hands

Motion #2:

The Operating Committee (OC) hereby approves the Proposed Tariff Revisions regarding Revisions to the Regulatory Milestone Requirements in OATT Attachment S as presented and discussed at the March 17, 2016 OC meeting.

The motion passed unanimously by show of hands with abstentions



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Motion #3a:

The Operating Committee (OC) hereby approves the Q#458 NS Interconnection System Reliability Impact Study Scope as presented and discussed at the March 17, 2016 OC meeting.
The motion passed unanimously by show of hands with abstentions

Motion #3b:

The Operating Committee (OC) hereby approves the Q#523 Dunkirk 2 System Reliability Impact Study Scope as presented and discussed at the March 17, 2016 OC meeting.
The motion passed unanimously by show of hands with an abstention

Motion #3c:

The Operating Committee (OC) hereby approves the Q#524 Dunkirk 3 & 4 System Reliability Impact Study Scope as presented and discussed at the March 17, 2016 OC meeting.
The motion passed unanimously by show of hands

Motion #3d:

The Operating Committee (OC) hereby approves the Q#525 Western NY Energy Link System Impact Study Scope as presented and discussed at the March 17, 2016 OC meeting.
The motion passed unanimously by show of hands

Motion #4:

The Operating Committee (OC) hereby approves the Emergency Operations Manual updates as presented and discussed at the March 17, 2016 OC meeting.
The motion passed unanimously by show of hands with an abstention

Motion #5:

The Operating Committee (OC) hereby approves the Reliability Planning Process Manual updates as presented and discussed at the March 17, 2016 OC meeting.
The motion passed unanimously by show of hands with abstentions

Motion #6:

The Operating Committee (OC) hereby approves the System Protection Manual updates as presented and discussed at the March 17, 2016 OC meeting.
The motion passed unanimously by show of hands with an abstention

Motion #7:

The Operating Committee (OC) hereby approves the adjustments to the Central East Voltage Collapse Transfer Limits and the Central East Stability Transfer Limits as described in the



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presentation entitled “Central East Voltage and Stability Analysis for TOTS Series Capacitors” as presented and discussed at the March 17, 2016 OC meeting.

The motion passed unanimously by show of hands with an abstention

Thursday, March 17, 2016

Business Issues Committee

Motion #1:

Motion to approve the Minutes of the January 13, 2016 and February 9, 2016 meeting minutes.

Motion passed unanimously

Motion #2:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee approve changes to the NYISO’s Coordination Agreement with ISO-NE as more fully described in the “Coordination Agreement between ISO-NE and NYISO - Ministerial Clean-Up Revisions” presentation made to the BIC on March 17, 2016.

Motion passed unanimously

Motion #3a:

Motion to amend motion 3:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee approve the proposed changes to the ICAP Demand Curve reset (“DCR”) process to implement a four year DCR period with annual updates, as more fully described in the presentations entitled “NYISO 2015/2016 ICAP Demand Curve Reset” and “Proposed DCR Process Changes” made to the BIC on March 17, 2016; *provided, however, that: (i) as discussed at the March 17, 2016 BIC meeting, the proposal shall be revised to include the collaring concept, which shall be limited in duration to the 2017-2021 demand curve reset period and will be applicable at the identified percentage levels to the reference point price values for the 2018/2019, 2019/2020 and 2020/2021 Capability Years; and (ii) while the BIC recommends that the winter-summer ratio shall be one of the parameters updated annually, the specific methodology to be applied to calculate annual updates to the winter-summer ratio for the 2017/2018, 2018/2019, 2019/2020 and 2020/2021 Capability Years remains under review and the BIC requests that the ICAP Working Group seek to define the methodology for discussion and action at the MC meeting where the agenda item concerning the revisions to the demand curve reset process is addressed.*

Motion passed with 100% affirmative votes

Motion #3:

The Business Issues Committee (“BIC”) hereby recommends that the Management Committee approve the proposed changes to the ICAP Demand Curve reset (“DCR”) process to implement a four year DCR period with annual updates, as more fully described in the presentations entitled “NYISO 2015/2016 ICAP Demand Curve Reset” and “Proposed DCR Process Changes” made



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to the BIC on March 17, 2016; provided, however, that: (i) as discussed at the March 17, 2016 BIC meeting, the proposal shall be revised to include the collaring concept, which shall be limited in duration to the 2017-2021 demand curve reset period and will be applicable at the identified percentage levels to the reference point price values for the 2018/2019, 2019/2020 and 2020/2021 Capability Years; and (ii) while the BIC recommends that the winter-summer ratio shall be one of the parameters updated annually, the specific methodology to be applied to calculate annual updates to the winter-summer ratio for the 2017/2018, 2018/2019, 2019/2020 and 2020/2021 Capability Years remains under review and the BIC requests that the ICAP Working Group seek to define the methodology for discussion and action at the MC meeting where the agenda item concerning the revisions to the demand curve reset process is addressed.
Motion passed by majority show of hands with abstentions

FERC Filings

March 18, 2016

NYISO filing of an Executed Transmission Facility Interconnection Agreement No. 2257 among NYSEG, TrAILCO, and NYISO.

March 17, 2016

NYISO filing of proposed amendments to the NYISO OATT and Services Tariff to incorporate Behind-the-Meter Net Generation Resources into the NYISO's Energy, Ancillary Services and Capacity Markets

March 17, 2016

NYISO request for partial extension of time to file further Order No. 1000 compliance tariff revisions

March 16, 2016

NYISO filing of its Eleventh Informational Report on Efforts to Develop Rules Addressing Compensation to Generators that Are Determined to be Needed for Reliability in Docket No. ER10-2220-000

March 16, 2016

NYISO refiling of its Eleventh Informational Report on Efforts to Develop Rules Addressing Compensation to Generators that Are Determined to be Needed for Reliability in order to include a Certificate of Service

FERC Orders

March 18, 2016

FERC letter order accepting revisions to the National Grid-specific Wholesale Transmission Service Charge formula under the NYISO OATT



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FERC Notice granting the NYISO request for extension of the compliance filing deadline up to and including April 13, 2016

Link to FERC Filings and Orders:

http://www.nyiso.com/public/markets_operations/documents/tariffviewer/index.jsp